

C O N F I D E N T I A L

54

7th April, 1960.COCOM Document No. 3951BCOORDINATING COMMITTEEMEMORANDUM BY THE ITALIAN DELEGATIONEXPORT OF COMMUNICATIONS CABLE TO THE SOVIET UNION

The Italian authorities have received an application to license the export to the Soviet Union of communications cable (Item 1526) having the following characteristics:

22 Km.	of cable with 37 star quads having conductors of 1.2 mm each in diameter
40 Km.	" " 27 " " " " " " " " " "
80 Km.	" " 19 " " " " " " " " " "
18 Km.	" " 12 " " " " " " " " " "
20 Km.	" " 27 " " " " " " 1.4 mm " " "
40 Km.	" " 27 " " " " " " 1.2 mm " " "

The mutual capacitance of this cable ranges from 30 to 38 nF per Km. Its technical characteristics correspond to those indicated in the TZB/GOST - 5800-49 et TZEB/GOST - 5800-49 specifications, and can only be used for audio frequencies. This cable is insulated with paper, sheathed with lead, screened with iron tapes, and covered with jute.

From the lengths indicated above for each type of cable, it can be seen that the latter cannot be used for a one-way link but only for short-distance links.

The cable concerned belongs to a very old type by western technical standards and the diameter/capacitance coefficients show that it is impossible, for any of the types mentioned, to obtain a greater number of conversations than pairs.

This cable is valued at \$ 625,000.

This order is part of a larger export, the total value of which is approximately \$ 2,500,000. The remainder of this amount covers non-embargoed power cable.

The Italian Delegation would point out that the global contract for the abovementioned power cable cannot be concluded unless the export of the embargoed cable is authorised as well.

In this connexion, it should also be noted that the group of firms producing this equipment are at present working well below their normal output and will perhaps be compelled to make cuts in staff.

The Italian authorities would moreover draw the Committee's attention to the fact that the firms concerned had to refuse six important contracts with the Soviet Union in 1959 for the supply of non-embargoed cable, because of the obligation to include a small quantity of cable of low technical capacity but covered by Item 1526 on account of the diameter of the conductors.

The exporting firms had also suffered similar losses in previous years because it had not been possible to conclude agreements for the supply of power cable for the same reasons.

There is thus reason to fear that the abovementioned firms may lose

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all hope in the future of effecting any commercial transactions with Eastern countries in this particular field.

In the light of the foregoing, it can be concluded that a refusal to allow the export concerned would entail social repercussions which, even if limited to the working sector of the firms producing this equipment, would certainly be more serious than the possible strategic risks incurred by the export of a small quantity of cable produced on a large scale by the U.S.S.R. itself for some time, and which the latter can in any event import from non-member countries.

In view of the above considerations, the Italian authorities would submit this request on an ad hoc basis. They would be glad if the other delegations would give their Governments' views at the meeting of the 25th April, 1960.

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